

Exhibit No. 24Date 3-19-11Bill No. HB2Amendments to House Bill No. 2
3rd Reading Copy

Requested by Senator Llew Jones

For the Senate Finance and Claims Committee

Prepared by Jim Standaert

March 19, 2011 (8:24am)

1. Page E-1, line 14.

Strike: "487,532,217 549,504,129" [general fund FY12 and FY13]**Insert:** "478,224,235 540,078,580" [general fund FY12 and FY13]

2. Page E-1, line 16.

Strike: "40,362,884 40,362,884" [general fund FY12 and FY13]**Insert:** "41,647,331 41,647,331" [general fund FY12 and FY13]

3. Page E-1, line 18.

Strike: "12,421,927 12,421,927" [general fund FY12 and FY13]**Insert:** "12,621,927 12,721,927" [general fund FY12 and FY12]

4. Page E-1, line 22.

Strike: "648,655 648,655" [general fund FY12 and FY13]**Insert:** "663,861 676,386" [general fund FY12 and FY13]

5. Page E-2, following line 9.

Insert: "l. At-Risk Student Payment (Restricted/Biennial)
5,000,000 5,000,000" [general fund FY12 and FY13]**Insert:** "m. In-State Treatment (Restricted/Biennial)
787,800 787,800" [general fund FY12 and FY13]**Insert:** "n. Secondary Vo-ed (Restricted/Biennial)
1,000,000 1,000,000" [general fund FY12 and FY13]**Insert:** "o. Adult Basic Education (Restricted/Biennial)
525,000 525,000" [general fund FY12 and FY13]**Insert:** "p. Gifted and Talented (Restricted/Biennial)
250,000 250,000" [general fund FY12 and FY13]**Insert:** "q. Pathway to Excellence Program (Restricted/Biennial)
3,911,140 7,790,882" [state special FY12 and FY13]**Insert:** "r. BASE Aid Inflation and Fund Switch
(Restricted/Biennial)
20,064,547 28,778,088" [state special FY12 and FY13]

6. Page E-2, line 15 and line 16.

Strike: "The appropriation for Montana Digital Academy is"

Insert: "The appropriations for the Montana Digital Academy, the At-Risk Student Payment, Secondary Vo-ed, Adult Basic Education, and Gifted and Talented are"

Following: "316" on line 15

Strike: remainder of line 15 through "20-9-622" on line 16

7. Page E-3, line 4 through line 18.

Strike: line 4 through line 18 in their entirety

8. Page E-3, following line 20.

Insert: "The office of public instruction may distribute funds from the appropriation for In-State Treatment to public school districts for the purpose of providing for educational costs of children with significant behavioral or physical needs."

- END -

Explanation - Amendment 1 adjusts general fund Base Aid downward by the sum of the general fund increases in Amendments 2,3,4,and 5. The adjustment is \$9,307,982 in FY 2012 and \$9,425,549 in FY 2013. These numbers represent the sum of the additions to the general fund for special education MOE, transportation, school foods, at-risk student payment, instate treatment, secondary vo-ed, adult basic education and gifted and talented. This is a swap between the guarantee account and the general fund, i.e. in the bill as it stands these items are paid from the guarantee account. This amendment pays for these items out of the general fund and reduces general fund Base aid by the same amount. The Base aid for the same amount will be included as an appropriation in the guarantee account in the last item in amendment 5.

Amendment 2 increases the special education for maintenance of effort. It increases the special education appropriation by \$1,284,447 in each year of the 2013 biennium. The GTB cost associated with this appropriation is in the last item in amendment 5.

Amendment 3 adjusts the transportation appropriation by \$200,000 in FY 2012 and by \$300,000 in FY 2013.

Amendment 4 increases the school foods appropriation by \$15,206 in FY 2012 and by \$27,731 in FY 2013. This is to avoid loss of

federal food dollars.

Amendment 5 adds 7 line items to HB 2. The first adds the at-risk student payment at \$5,000,000 per year. The second adds instate treatment at \$787,000 per year, the third adds secondary vo-ed at \$1,000,000 per year, the fourth adds adult basic education at \$525,000 per year and fifth adds gifted and talented at \$250,000 per year. The sixth adds the state cost of the Pathways to Improvement program in the guarantee account.

The seventh item in amendment 5 does two things: 1) adds \$9,307,982 in FY 2012 and \$9,425,549 in Base aid paid for out of the guarantee account. This makes up for the reduction in Base aid of the same amounts in amendment 1.

Second, the seventh item in amendment 5 adds Base aid inflation paid for out of the guarantee account in the amount of 1.90% in FY 2012 and 1.53% in FY 2013. It also adds the GTB associated with the increase in special education MOE. These things add \$10,756,565 in FY 2012 and \$19,352,539 in FY 2013.

In total the seventh item of amendment 5 adds \$20,307,982 in FY 2012 and \$28,778,088 in FY 2013.

Amendment 6 makes the Montana digital academy, the at-risk student payment, secondary vo-ed, adult basic education, and gifted and talented contingent on passage and approval of HB 316, the bill to redistribute certain revenues to the general fund.

Amendment 7 strikes all of the language amendment on page E-3 on lines 7 through 18.

Amendment 8 adds language traditionally associated with instate treatment to allow OPI to spend these funds in school districts for treatment of children with behavioral and physical issues.